

**THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
ASHEVILLE DIVISION  
CIVIL CASE NO. 1:15-cv-00083-MR-DCK**

**CHATHAM STEEL CORP., a Foreign  
Corporation,**

**Plaintiff,**

**vs.**

**MITCHELL WELDING, INC., a North  
Carolina Corporation, JOHN C.  
STOUT, an individual, and CLARANN  
STOUT DIXON, an individual,**

**Defendants.**

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**ORDER**

**THIS MATTER** is before the Court on the Defendants' Suggestion of Bankruptcy [Doc. 36].

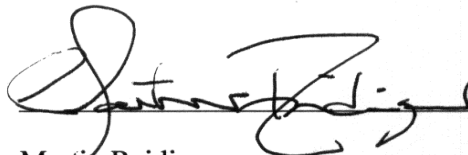
The Defendants John C. Stout and Clarann Stout Dixon (now known as Clarann Stout Vance) have filed a notice with the Court indicating that they filed voluntary bankruptcy petitions under Chapter 7 of the United States Bankruptcy Code on August 2, 2016. It is well-settled that “[w]hen litigation is pending against the debtor at the time a bankruptcy case is commenced, the litigation is stayed automatically.” 3 Collier on Bankruptcy ¶ 362.03[3] (16<sup>th</sup> ed. 2014); see also 11 U.S.C. § 362(a)(1) (providing that a bankruptcy

petition operates as an automatic stay of “the commencement or continuation . . . of a judicial, administrative, or other action or proceeding against the debtor”). Accordingly, the Court will consider this action stayed, but only as to the Defendants John C. Stout and Clarann Stout Dixon.

Accordingly, **IT IS, THEREFORE, ORDERED** that this action is hereby **STAYED** as to the Defendants John C. Stout and Clarann Stout Dixon only until further Order of the Court. All other claims pending in this action remain unaffected by this stay.

**IT IS SO ORDERED.**

Signed: August 24, 2016

  
Martin Reidinger  
United States District Judge

